

**EXECUTIVE SECRETARIAT**  
**ROUTING SLIP**

TO:		ACTION	INFO	DATE	INITIAL
1	DCI				
2	DDCI				
3	EXDIR				
4	D/ICS				
5	DDI		X		
6	DDA				
7	DDO				
8	DDS&T				
9	Chm/NIC				
10	GC				
11	IG				
12	Compt				
13	D/Pers				
14	D/OLL				
15	D/PAO				
16	SA/IA				
17	AO/DCI				
18	C/IPD/OIS				
19	D/OGI/DI				
20	NIO/ECON				
21					
22					
SUSPENSE		Date			

Remarks  
Pls note meeting scheduled for Friday,  
4 Jan 85, 1 PM.

STAT

3 Jan 85

Date

3637 (10-81)

THE WHITE HOUSE

WASHINGTON

January 2, 1985

MEMORANDUM FOR MEMBERS OF THE CABINET COUNCIL ON NATURAL  
RESOURCES AND ENVIRONMENT WORKING GROUP ON  
CRITICAL AND STRATEGIC MINERALS

FROM: RANDALL E. DAVIS, <sup>R.E.</sup> EXECUTIVE SECRETARY

RE: Meeting on January 4, 1985

The first meeting of the Working Group on Critical and Strategic Minerals will be held on Friday, January 4, at 1:00 p.m. in Room 6641 of the Department of the Interior. Enclosed, please find an agenda for this meeting, recommendations of the National Strategic Materials and Minerals Program Advisory Committee, and Title II of the National Critical Materials Act of 1984. These items will be discussed at the Friday meeting.

Please inform Mary Beth Riordan (456-6252) as to whether or not you will be in attendance by COB on Thursday, January 3.

enclosure

L300E

Cabinet Council Working Group  
on  
Critical and Strategic Minerals

---

Initial Meeting, January 4, 1985  
1:00 p.m.; Room 6641, Main Interior Building  
18th and C Streets, N.W.

AGENDA

1. Introductory statement, background, and charter, by Robert N. Broadbent, Assistant Secretary of the Interior for Water and Science.
2. Discussion of draft report required by Section 904, Omnibus Defense Authorization Act of 1985:
  - a. Agency comments on first draft returned to Interior by January 8;
  - b. Revised draft distributed to working group members for review by January 11;
  - c. Final comments to Interior by January 15;
  - d. Final draft to Working Group for review by January 18; to Cabinet Council for review if necessary;
  - e. Final report, incorporating Cabinet Council comments, to Congress by January 31.
3. Discussion of report required by Title II, PL 98-373 (The National Critical Materials Act of 1984).
4. Discussion of five recommendations by the National Strategic Minerals and Materials Program Advisory Committee (NSMMPAC; the Mott Committee); emphasis on:
  - a. Recommendation for resumption of joint US-Canada mobilization planning; and
  - b. Recommendation for reform of Strategic Stockpile Program management.
5. Schedule for next meeting; identification of Interior Department Coordinator for the Working Group.

November 13, 1984

RECOMMENDATION

The National Strategic Materials and Minerals Program Advisory Committee (NSMMPAC) recommends that the Secretary urge the Secretary of State, in collaboration with other appropriate officials, to reactivate the Joint [U.S. - Canadian] Industrial Mobilization Committee.

NSMMPAC further recommends that the reactivated Committee be charged to develop specific plans for allocating strategic minerals and material supplies and processing facilities between the United States and Canada to meet mutual mobilization needs.

NSMMPAC also recommends that, inasmuch as no formal arrangement exists for similar joint planning between the United States and Mexico, the Secretary recommend to the Secretary of State that the feasibility of such an agreement be explored.

Adopted 11-15-84

Enclosure 1

## BACKGROUND

Mobilization planning, including that for minerals and materials requirements, usually assumes that in the event of a defense emergency the United States would have ready, essentially unrestricted access to raw materials and processing facilities throughout North America--including Canada and Mexico. This is a highly problematical assumption that ignores (1) the obligation that Canada may have to other commonwealth nations in the event of a threat; (2) some uncertainty about the response of Mexico to a security threat in this hemisphere, especially given Mexico's proximity to hostile bases in Cuba and its susceptibility to mischief originating in central America; and (3) the absence of any active, formal arrangements between the U.S and Canada or Mexico for joint mobilization planning and execution.

In 1949 the U.S. and Canadian governments signed an agreement (attached) for coordinating industrial mobilization planning; however, the Joint Industrial Mobilization Committee created in this agreement is presently defunct, and has been so since the Korean conflict era.

Clearly it would be in the common interest of all three governments to plan jointly for mobilization needs. For specific purposes such as defense stockpile goals setting, this would permit either the validation of current assumptions or the development of new assumptions about how much each nation would contribute to the other(s) in response to a mobilization event.

## JOINT INDUSTRIAL MOBILIZATION

### COMMITTEE

Agreement between the UNITED STATES  
OF AMERICA and CANADA

*The American Ambassador to the Canadian Secretary of State for  
External Affairs*

AMERICAN EMBASSY

Ottawa, Canada, April 12, 1949.

No. 93

#### EXCELLENCY:

I have the honor to inform Your Excellency that the common interests of Canada and the United States in Defence, their proximity and the complementary characteristics of their resources clearly indicate the advantages of coordinating their plans for industrial mobilization, in order that the most effective use may be made of the productive facilities of the two countries.

The functions of the Department of Trade and Commerce and the Industrial Defence Board in Canada and those of the National Security Resources Board and the Munitions Board in the United States suggest that, for the present, it would be appropriate to use these Agencies to assist the two Governments in coordinating their Industrial Mobilization Plans.

Therefore, my Government wishes to propose that the two Governments agree:

(a) That a Joint Industrial Mobilization Committee be now constituted consisting, on the United States side, of the Chairman of the National Security Resources Board and the Chairman of the Munitions Board and, on the Canadian side, of the Chairman of the Industrial Defence Board and a Senior Official of the Department of Trade and Commerce:

(b) That the Joint Committee:

- (i) Exchange information with a view to the coordination of the plans of the United States and Canada for Industrial Mobilization;
- (ii) Consider what recommendations in the field of Industrial Mobilization planning, in areas of common concern, should be made to each Government;
- (iii) Be empowered to organize Joint Sub-Committees from time to time to facilitate the discharge of its functions;
- (iv) Be responsible for cooperation with the Permanent Joint Board on Defence on matters of Industrial Mobilization.

If your Government is agreeable to the above Proposals, it is understood that this Note, together with your Note in reply agreeing thereto, shall constitute an agreement between our two Governments which shall enter in force on the date of your reply and shall remain in force indefinitely subject to termination by either Government at any time on giving six months' notice.

Please accept, Excellency, the renewed assurances of my highest consideration.

LAURENCE A. STEINHARDT

His Excellency the Honorable  
The SECRETARY OF STATE  
FOR EXTERNAL AFFAIRS,  
Ottawa.

• Effected by Exchange of Notes 63 Stat 2331;  
Signed at Ottawa April 12, 1949 TIAS 1889 - 6 Bevans 486;  
206 UNTS 241

• Entered into force April 12, 1949

*The Canadian Secretary of State for External Affairs to the American  
Ambassador*

DEPARTMENT OF  
EXTERNAL AFFAIRS  
CANADA

NO. 112

OTTAWA, April 12, 1949.

#### EXCELLENCY,

I have the honour to acknowledge the receipt of Your Excellency's note No. 93 of April 12, 1949, in which you inform me that the Government of the United States of America wishes to propose that our two Governments agree:

- (a) that a Joint Industrial Mobilization Committee be now constituted consisting, on the United States side, of the Chairman of the National Security Resources Board and the Chairman of the Munitions Board and, on the Canadian side, of the Chairman of the Industrial Defence Board and a senior official of the Department of Trade and Commerce;
- (b) that the Joint Committee:
  - (i) exchange information with a view to the coordination of the plans of the United States and Canada for industrial mobilization;
  - (ii) consider what recommendations in the field of industrial mobilization planning in areas of common concern should be made to each Government;
  - (iii) be empowered to organize joint subcommittees from time to time to facilitate the discharge of its functions;
  - (iv) be responsible for cooperation with the Permanent Joint Board of Defence on matters of industrial mobilization;

2. I have the honour to inform Your Excellency that the Government of Canada concurs in the foregoing proposals and agrees that Your Excellency's note and this reply shall constitute an agreement between our two Governments which shall enter into force on this day and shall remain in force indefinitely, subject to termination by either Government at any time on giving six months' notice.

Accept, Excellency, the renewed assurances of my highest consideration.

L B PEARSON  
Secretary of State for  
External Affairs.

His Excellency, The Hon. LAURENCE A. STEINHARDT,  
Ambassador of the United States of America,  
Embassy of the United States of America,  
100 Wellington Street,  
Ottawa.

○

November 13, 1984

RECOMMENDATION

The National Strategic Materials and Minerals Program Advisory Committee recommends that the National Defense Stockpile program be administered by a Government corporation having no other responsibilities than to secure and maintain an adequate supply of strategic and critical materials for defense and essential civilian purposes. The Committee expressly recommends that these purposes not include the conduct of stockpile commodity transactions for economic reasons (an "economic stockpile").

The function of the Government corporation should be only to administer the stockpile. Procurement goals for commodities in the stockpile should continue to be established by Government agencies responsible for National security.

The Committee further recommends that during transition to the new Stockpile management system there be no deferring of stockpile transactions duly arrived at through the established Annual Material Plan (AMP).

If this recommendation is approved, the Committee will prepare and submit to the Secretary a detailed implementation plan within six months.

Adopted 11-15-84

Enclosure 2

## BACKGROUND

Almost 40 years of experience has demonstrated that putting the Stockpile program in the hands of agencies having multiple responsibilities (such as FEMA or GSA) will at times result in deferring and delaying of decisions on strategic and critical materials because (among other reasons) senior officials are preoccupied with other matters.

The stockpile today is far short of its goals, yet the budgetary processes involved resulted in only \$185 million being made available in fiscal year 1985 for stockpile purchases. At this rate, 50 years will be required to reach stockpile goals. Uncertainty about purchase authority persists year after year under the present system.

In 1962, when the Kennedy Administration expressed the view that the stockpile was excessive, the then current value of all holdings was approximately \$8 billion dollars. Since then, the aggregate disposals of materials declared surplus have netted the Government in excess of \$8 billion dollars. Yet the most recent report of stockpile activities shows that inventories on hand as of March 31, 1984, had a value at current market of \$10.9 billion dollars--this despite the fact that purchasing for the stockpile in the intervening 22 years has been extremely limited.

As the 1962-1984 experience indicates, due to inflation the Government in the long run has in the stockpile an asset whose value is likely to rise, whereas its expenditures for weapons and other purposes are subject to long-term obsolescence. We emphatically reject the principle of an "economic stockpile," and this recommendation should not be interpreted to advocate such a practice; however, it should be recognized that, unlike many articles that the Government purchases (motor vehicles, bombers, and buildings), most stockpile commodities are not subject to deterioration or depreciation. Accordingly, such commodities should be regarded and managed as assets.



If the stockpile program is put in the hands of a Government corporation (as was done during World War II, when it was handled through the RFC and its four war-time subsidiaries) the program will not be entangled in the annual budgetary process, although, of course, the program will continue to be subject to Administration and Congressional oversight. Long-term planning of both acquisitions and disposals will be facilitated. In addition, innovative financing options, possible for a corporation but unavailable to Government agencies, could be exercised to make stockpile transactions possible under the most favorable market conditions. This could include the expanded use of barter in stockpile transactions.

If the critical materials program were administered by a corporation, the Committee believes that it would operate in a business-like manner, free of much of the bureaucratic procedures which delay decisions and tend to deprive the Government of the opportunity to buy or sell at maximum advantage. Because the materials markets are volatile and sensitive to economic conditions, delay in decision-making can be expensive. Furthermore, such a corporation should be able to attract experienced, highly-qualified negotiators and managers who may not be available under the constraints of the civil service employment system.

In making this recommendation, the Committee is cognizant of the need for adherence to the broad scope of Administration desires (and Congressional intent as well). Yet experience with such programs as COMSAT, Fanny Mae, FRC, TVA, and other Government corporations demonstrates that such adherence is indeed capable of realization.

This recommendation is intended to argue only that efficient, sound, businesslike management of the stockpile is difficult under the present system in which decision-making authority is so widely distributed among disparate agencies with correspondingly disparate "missions." None of the foregoing discussion is intended to imply that the stockpile has been culpably mismanaged.

S. 373-7

as set forth by the Commission and in the Plan as currently in effect; and

(5) a description of the actions taken by the Interagency Committee to coordinate the budget review process in order to ensure interagency coordination and cooperation in (A) carrying out Federal Arctic research programs, and (B) eliminating unnecessary duplication of effort among these programs.

COORDINATION AND REVIEW OF BUDGET REQUESTS

SEC. 110. (a) The Office of Science and Technology Policy shall—

(1) review all agency and department budget requests related to the Arctic transmitted pursuant to section 108(a)(5), in accordance with the national Arctic research policy and the 5-year program under section 108(a)(2) and section 109, respectively; and

(2) consult closely with the Interagency Committee and the Commission to guide the Office of Science and Technology Policy's efforts.

(b)(1) The Office of Management and Budget shall consider all Federal agency requests for research related to the Arctic as one integrated, coherent, and multiagency request which shall be reviewed by the Office of Management and Budget prior to submission of the President's annual budget request for its adherence to the Plan. The Commission shall, after submission of the President's annual budget request, review the request and report to Congress on adherence to the Plan.

(2) The Office of Management and Budget shall seek to facilitate planning for the design, procurement, maintenance, deployment, and operations of icebreakers needed to provide a platform for Arctic research by allocating all funds necessary to support ice-breaking operations, except for recurring incremental costs associated with specific projects, to the Coast Guard.

AUTHORIZATION OF APPROPRIATIONS; NEW SPENDING AUTHORITY

SEC. 111. (a) There are authorized to be appropriated such sums as may be necessary for carrying out this title.

(b) Any new spending authority (within the meaning of section 401 of the Congressional Budget Act of 1974) which is provided under this title shall be effective for any fiscal year only to such extent or in such amounts as may be provided in appropriation Acts.

DEFINITION

SEC. 112. As used in this title, the term "Arctic" means, all United States and foreign territory north of the Arctic Circle and all United States territory north and west of the boundary formed by the Porcupine, Yukon, and Kuskokwim Rivers; all contiguous seas, including the Arctic Ocean and the Beaufort, Bering, and Chukchi Seas; and the Aleutian chain.

TITLE II—NATIONAL CRITICAL MATERIALS ACT OF 1984

SHORT TITLE

SEC. 201. This title may be cited as the "National Critical Materials Act of 1984".

S. 373—8

FINDINGS AND PURPOSES

SEC. 202. (a) The Congress finds that—

(1) the availability of adequate supplies of strategic and critical industrial minerals and materials continues to be essential for national security, economic well-being, and industrial production;

(2) the United States is increasingly dependent on foreign sources of materials and vulnerable to supply interruption in the case of many of those minerals and materials essential to the Nation's defense and economic well-being;

(3) together with increasing import dependence, the Nation's industrial base, including the capacity to process minerals and materials, is deteriorating—both in terms of facilities and in terms of a trained labor force;

(4) research, development, and technological innovation, especially related to improved materials and new processing technologies, are important factors which affect our long-term capability for economic competitiveness, as well as for adjustment to interruptions in supply of critical minerals and materials;

(5) while other nations have developed and implemented specific long-term research and technology programs to develop high-performance materials, no such policy and program evolution has occurred in the United States;

(6) establishing critical materials reserves, by both the public and private sectors and with proper organization and management, represents one means of responding to the genuine risks to our economy and national defense from dependency on foreign sources;

(7) there exists no single Federal entity with the authority and responsibility for establishing critical materials policy and for coordinating and implementing that policy; and

(8) the importance of materials to national goals requires an organizational means for establishing responsibilities for materials programs and for the coordination, within and at a suitably high level of the Executive Office of the President, with other existing policies within the Federal Government.

(b) It is the purpose of this title—

(1) to establish a National Critical Materials Council under and reporting to the Executive Office of the President which shall—

(A) establish responsibilities for and provide for necessary coordination of critical materials policies, including all facets of research and technology, among the various agencies and departments of the Federal Government, and make recommendations for the implementation of such policies;

(B) bring to the attention of the President, the Congress, and the general public such materials issues and concerns, including research and development, as are deemed critical to the economic and strategic health of the Nation; and

(C) ensure adequate and continuing consultation with the private sector concerning critical materials, materials research and development, use of materials, Federal materials policies, and related matters;

(2) to establish a national Federal program for advanced materials research and technology, including basic phenomena through processing and manufacturing technology; and

S. 373-9

(3) to stimulate innovation and technology utilization in basic as well as advanced materials industries.

#### ESTABLISHMENT OF THE NATIONAL CRITICAL MATERIALS COUNCIL

SEC. 203. There is hereby established a National Critical Materials Council (hereinafter referred to as the "Council") under and reporting to the Executive Office of the President. The Council shall be composed of three members who shall be appointed by the President and who shall serve at the pleasure of the President. Members so appointed who are not already Senate-confirmed officers of the Government shall be appointed by and with the advice and consent of the Senate. The President shall designate one of the members to serve as Chairman. Each member shall be a person who, as a result of training, experience, and achievement, is qualified to carry out the duties and functions of the Council, with particular emphasis placed on fields relating to materials policy or materials science and engineering. In addition, at least one of the members shall have a background in and understanding of environmentally related issues.

#### RESPONSIBILITIES AND AUTHORITIES OF THE COUNCIL

SEC. 204. (a) It shall be the primary responsibility of the Council—  
(1) to assist and advise the President in establishing coherent national materials policies consistent with other Federal policies, and making recommendations necessary to implement such policies;

(2) to assist in establishing responsibilities for, and to coordinate, Federal materials-related policies, programs, and research and technology activities, as well as recommending to the Office of Management and Budget budget priorities for materials activities in each of the Federal departments and agencies;

(3) to review and appraise the various programs and activities of the Federal Government in accordance with the policy and directions given in the National Materials and Minerals Policy, Research and Development Act of 1980 (30 U.S.C. 1601), and to determine the extent to which such programs and activities are contributing to the achievement of such policy and directions;

(4) to monitor and evaluate the critical materials needs of basic and advanced technology industries and the Government, including the critical materials research and development needs of the private and public sectors;

(5) to advise the President of mineral and material trends, both domestic and foreign, the implications thereof for the United States and world economies and the national security, and the probable effects of such trends on domestic industries;

(6) to assess through consultation with the materials academic community the adequacy and quality of materials-related educational institutions and the supply of materials scientists and engineers;

(7) to make or furnish such studies, analyses, reports, and recommendations with respect to matters of materials-related policy and legislation as the President may request;

(8) to prepare a report providing a domestic inventory of critical materials with projections on the prospective needs of Government and industry for these materials, including a long-range assessment, prepared in conjunction with the Office of

S. 373-10

Science and Technology Policy in accordance with the National Materials and Minerals Policy, Research and Development Act of 1980, and in conjunction with such other Government departments or agencies as may be considered necessary, of the prospective major critical materials problems which the United States is likely to confront in the immediate years ahead and providing advice as to how these problems may best be addressed, with the first such report being due on April 1, 1985, and (B) review and update such report and assessment as appropriate and report thereon to the Congress at least biennially; and

(9) to recommend to the Congress such changes in current policies, activities, and regulations of the Federal Government, and such legislation, as may be considered necessary to carry out the intent of this title and the National Materials and Minerals Policy, Research and Development Act of 1980.

(b) In carrying out its responsibilities under this section the Council shall have the authority—

(1) to establish such special advisory panels as it considers necessary, with each such panel consisting of representatives of industry, academia, and other members of the private sector, not to exceed ten members, and being limited in scope of subject and duration; and

(2) to establish and convene such Federal interagency committees as it considers necessary in carrying out the intent of this title.

(c) In seeking to achieve the goals of this title and related Acts, the Council and other Federal departments and agencies with responsibilities or jurisdiction related to materials or materials policy, including the National Security Council, the Council on Environmental Quality, the Office of Management and Budget, and the Office of Science and Technology Policy, shall work collaboratively and in close cooperation.

#### PROGRAM AND POLICY FOR ADVANCED MATERIALS RESEARCH AND TECHNOLOGY

SEC. 203. (a) In addition to the responsibilities described in section 204, the Council shall be responsible for coordination with appropriate agencies and departments of the Federal Government relative to Federal materials research and development policies and programs. Such policies and programs shall be consistent with the policies and goals described in the National Materials and Minerals Policy, Research and Development Act of 1980. In carrying out this responsibility the Council shall—

(1) (A) establish a national Federal program plan for advanced materials research and development, recommend the designation of the key responsibilities for carrying out such research, and to provide for coordination of this plan with the Office of Science and Technology Policy, the Office of Management and Budget, and such other Federal offices and agencies as may be deemed appropriate, and (B) annually review such plan and report thereon to the Congress;

(2) review annually the materials research, development, and technology authorization requests and budgets of all Federal agencies and departments; and in this activity the Council shall make recommendations, in cooperation with the Office of Sci-

S. 373-11

ence and Technology Policy, the Office of Management and Budget, and all other Federal offices and agencies deemed appropriate, to ensure close coordination of the goals and directions of such programs with the policies determined by the Council; and

(3) assist the Office of Science and Technology Policy in the preparation of such long-range materials assessments and reports as may be required by the National Materials and Minerals Policy, Research and Development Act of 1980, and assist other Federal entities in the preparation of analyses and reporting relating to critical and advanced materials.

(b) The Office of Management and Budget, in reviewing the materials research, development, and technology authorization requests of the various Federal departments and agencies for any fiscal year, and the recommendations of the Council, shall consider all of such requests and recommendations as an integrated, coherent, multiagency request which shall be reviewed by the Office of Management and Budget for its adherence to the national Federal materials program plan in effect for such fiscal year under subsection (a).

#### INNOVATION IN BASIC AND ADVANCED MATERIALS INDUSTRIES

SEC. 206. (a)(1) In order to promote the use of more cost-effective, advanced technology and other means of providing for innovation and increased productivity within the basic and advanced materials industries, the Council shall evaluate and make recommendations regarding the establishment of Centers for Industrial Technology as provided in Public Law 96-480 (15 U.S.C. 3705).

(2) The activities of such Centers shall focus on, but not be limited to, the following generic materials areas: corrosion; welding and joining of materials; advanced processing and fabrication technologies; microfabrication; and fracture and fatigue.

(b) In order to promote better use and innovation of materials in design for improved safety or efficiency, the Council shall establish in cooperation with the appropriate Federal agencies and private industry, an effective mechanism for disseminating materials property data in an efficient and timely manner. In carrying out this responsibility, the Council shall consider, where appropriate, the establishment of a computerized system taking into account, to the maximum extent practicable, existing available resources.

#### COMPENSATION OF MEMBERS AND REIMBURSEMENTS

SEC. 207. (a) The Chairman of the Council, if not otherwise a paid officer or employee of the Federal Government, shall be paid at the rate not to exceed the rate of basic pay provided for level II of the Executive Schedule. The other members of the Council, if not otherwise paid officers or employees of the Federal Government, shall be paid at a per diem rate comparable to the rate not to exceed the rate of basic pay provided for level III of the Executive Schedule.

(b) Subject to existing law and regulations governing conflicts of interest, the Council may accept reimbursement from any private nonprofit organization or from any department, agency, or instrumentality of the Federal Government, or from any State or local government, for reasonable travel expenses incurred by any member or employee of the Council in connection with such mem-

S. 373-12

ber's or employee's attendance at any conference, seminar, or similar meeting.

POSITION AND AUTHORITIES OF EXECUTIVE DIRECTOR

SEC. 208. (a) There shall be an Executive Director (hereinafter referred to as the "Director"), who shall be chief administrator of the Council. The Director shall be appointed by the Council full time and shall be paid at the rate not to exceed the rate of basic pay provided for level III of the Executive Schedule.

(b) The Director is authorized—

(1) to employ such personnel as may be necessary for the Council to carry out its duties and functions under this title, but not to exceed twelve compensated employees;

(2) to obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code; and

(3) to develop, subject to approval by the Council, rules and regulations necessary to carry out the purposes of this title.

(c) In exercising his responsibilities and duties under this title, the Director—

(1) may consult with representatives of academia, industry, labor, State and local governments, and other groups; and

(2) shall utilize to the fullest extent possible the services, facilities, and information (including statistical information) of public and private agencies, organizations, and individuals.

(d) Notwithstanding section 367(b) of the Revised Statutes (31 U.S.C. 665(b)), the Council may utilize voluntary and uncompensated labor and services in carrying out its duties and functions.

RESPONSIBILITIES AND DUTIES OF THE DIRECTOR

SEC. 209. In carrying out his functions the Director shall assist and advise the Council on policies and programs of the Federal Government affecting critical and advanced materials by—

(1) providing the professional and administrative staff and support for the Council;

(2) assisting the Federal agencies and departments in appraising the effectiveness of existing and proposed facilities, programs, policies, and activities of the Federal Government, including research and development, which affect critical materials availability and needs;

(3) cataloging, as fully as possible, research and development activities of the Government, private industry, and public and private institutions; and

(4) initiating Government and private studies and analyses, including those to be conducted by or under the auspices of the Council, designed to advance knowledge of critical or advanced materials issues and develop alternative proposals, including research and development, to resolve national critical materials problems.

AUTHORITY

SEC. 210. The Council is authorized—

(1) to establish such internal rules and regulations as may be necessary for its operation;

S. 373-13

(2) to enter into contracts and acquire materials and supplies necessary for its operation to such extent or in such amounts as are provided for in appropriation Acts;

(3) to publish, consistent with title 44 of the United States Code, or arrange to publish critical materials information that it deems to be useful to the public and private industry to the extent that such publication is consistent with the national defense and economic interest;

(4) to utilize such services or personnel as may be provided to the Council on a reimbursable basis by any agency of the United States; and

(5) to exercise such authorities as may be necessary and incidental to carrying out its responsibilities and duties under this title.

AUTHORIZATION OF APPROPRIATIONS

SEC. 211. There are hereby authorized to be appropriated to carry out the provisions of this title a sum not to exceed \$500,000 for the fiscal year ending September 30, 1985, and such sums as may be necessary thereafter: *Provided*, That the authority provided for in this title shall expire on September 30, 1990, unless otherwise authorized by Congress.

DEFINITION

SEC. 212. As used in this title, the term "materials" has the meaning given it by section 2(b) of the National Materials and Minerals Policy, Research and Development Act of 1980.

*Speaker of the House of Representatives.*

*Vice President of the United States and  
President of the Senate.*



MEMORANDUM FOR:

Executive Secretary

STAT  
STAT  
STAT  
STAT

[redacted] OGI, has been designated as our representative to the Working Group on Critical and Strategic Minerals per a conversation with his deputy, [redacted] on 21 December.

[redacted]  
Assistant NIO/Economics

Date 21 Dec 84

STAT

Approved For Release 2009/09/14 : CIA-RDP87M00539R002303860005-2

**Page Denied**

Approved For Release 2009/09/14 : CIA-RDP87M00539R002303860005-2

**EXECUTIVE SECRETARIAT**  
ROUTING SLIP

TO:

		ACTION	INFO	DATE	INITIAL
1	DCI		X		
2	DDCI		X		
3	EXDIR		X		
4	D/ICS				
5	DDI		X		
6	DDA				
7	DDO				
8	DDS&T				
9	Chm/NIC				
10	GC				
11	IG				
12	Compt				
13	D/Pers				
14	D/OLL				
15	D/PAO				
16	SA/IA				
17	AO/DCI				
18	C/IPD/OIS				
19	WIO/ECON	X			
20	D/OGI/DI		X		
21					
22					

SUSPENSE: 21 Dec 84  
Date

Remarks To 19: Yours for action and direct contact. Pls coordinate with OGI. Advise ES who has been designated as representative.

STAT

Executive Registry

84-10334/1

THE WHITE HOUSE

WASHINGTON

December 18, 1984

MEMORANDUM FOR THE SECRETARY OF STATE  
THE SECRETARY OF THE TREASURY  
THE SECRETARY OF DEFENSE  
THE ATTORNEY GENERAL  
THE SECRETARY OF COMMERCE  
THE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET  
THE NATIONAL SECURITY ADVISOR  
THE CHAIRMAN OF THE COUNCIL OF ECONOMIC ADVISERS  
THE ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY  
THE DIRECTOR OF THE FEDERAL EMERGENCY MANAGEMENT AGENCY  
THE DIRECTOR OF THE OFFICE OF SCIENCE AND TECHNOLOGY  
POLICY  
THE DIRECTOR OF THE CENTRAL INTELLIGENCE AGENCY  
THE U.S. TRADE REPRESENTATIVE  
THE ADMINISTRATOR OF THE GENERAL SERVICES ADMINISTRATION  
THE ASSISTANT TO THE PRESIDENT FOR POLICY DEVELOPMENT

FROM: WILLIAM P. CLARK, CHAIRMAN PRO TEMPORE  
CABINET COUNCIL ON NATURAL RESOURCES AND ENVIRONMENT *WPC*

SUBJECT: The Establishment of a CCNRE Working Group on Critical and Strategic Minerals

In 1982, the President formally assigned responsibility for coordinating strategic minerals and materials policy to the Cabinet Council on Natural Resources and Environment (CCNRE). At the CCNRE meeting on Wednesday, December 12, the Council agreed to establish a Working Group on Critical and Strategic Minerals to better coordinate the functions which have been delegated to the Council by the President.

One of the first tasks of the Working Group will be to review a Department of the Interior report to the Congress on critical and strategic minerals which was mandated in the FY 1985 Department of Defense authorization bill requiring the President to submit a report to the Congress by January 31, 1985. The Working Group will also review the reporting requirements established by Section 204 of Title II of the National Critical Materials Act of 1984, which mandate a report to the Congress by April 1, 1985. In addition, the Department of the Interior's National Strategic Materials and Minerals Program Advisory Committee (the Mott Committee) has made several recommendations for changes to existing federal policies in this area which should be reviewed.

DCI  
EXEC  
REG

L 3008

It is important that your agency be represented on this Working Group. Please have your staff notify Mary Beth Riordan (456-6252) of your representative to this Working Group by close of business, Friday, December 21, 1984.

Executive Registry

## CABINET AFFAIRS STAFFING MEMORANDUM 84- 10334

Date: 12/14/84 Number: ----- Due By: -----

Subject: Cabinet Council on Natural Resources and Environment:

December 17, 1984 Minutes

	Action	FYI		Action	FYI
<b>ALL CABINET MEMBERS</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<b>CEA</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Vice President	<input type="checkbox"/>	<input type="checkbox"/>	<b>CEQ</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
State	<input type="checkbox"/>	<input type="checkbox"/>	<b>OSTP</b>	<input type="checkbox"/>	<input type="checkbox"/>
Treasury	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Defense	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Attorney General	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Interior	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Agriculture	<input type="checkbox"/>	<input type="checkbox"/>	<b>Baker</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Commerce	<input type="checkbox"/>	<input type="checkbox"/>	<b>Deaver</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Labor	<input type="checkbox"/>	<input type="checkbox"/>	<b>Darman (For WH Staffing)</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
HHS	<input type="checkbox"/>	<input type="checkbox"/>	<b>McFarlane</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HUD	<input type="checkbox"/>	<input type="checkbox"/>	<b>Svahn</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Transportation	<input type="checkbox"/>	<input type="checkbox"/>	<b>Chapman</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Energy	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Education	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
Counsellor	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
<b>OMB</b>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
<b>CIA</b>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
<b>UN</b>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
<b>USTR</b>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
			<b>Executive Secretary for:</b>		
<b>GSA</b>	<input type="checkbox"/>	<input type="checkbox"/>	<b>CCCT</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>EPA</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<b>CCEA</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>NASA</b>	<input type="checkbox"/>	<input type="checkbox"/>	<b>CCFA</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>OPM</b>	<input type="checkbox"/>	<input type="checkbox"/>	<b>CCHR</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>VA</b>	<input type="checkbox"/>	<input type="checkbox"/>	<b>CCLP</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>SBA</b>	<input type="checkbox"/>	<input type="checkbox"/>	<b>CCMA</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			<b>CCNRE</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

## REMARKS:

Attached for your information are the minutes of the December 17, 1984 Cabinet Council on Natural Resources and Environment Planning Meeting.

## RETURN TO:

☐ Craig L. Fuller  
Assistant to the President  
for Cabinet Affairs

☒ Don Clarey ☐ Tom Gibson ☐ Larry Herbolzheimer  
Associate Director  
Office of Cabinet Affairs

DCI  
EXEC  
REG

L 300E

THE WHITE HOUSE

WASHINGTON

CABINET COUNCIL ON NATURAL RESOURCES AND ENVIRONMENT

December 12, 1984, 10:00 a.m.

Roosevelt Room

MINUTES

Participants: The Vice President, Clark, Ruckelshaus, Hill, Dinkins, Boggs, Knapp, Niskanen, Davis, Clarey, Risque, Rhodes, Khedouri, Smith, Malone, Healey, Crowell, Calio, Cicconi, Broadbent, Richardson, Trabandt.

Issue One: Status of OCS Lands Act Section 8(g) Litigation.

Secretary Clark, Chairman Pro Tempore, called the meeting to order and requested the Solicitor of the Department of the Interior, Frank Richardson, to brief the members of the Cabinet Council on the status of the Section 8(g) settlement offer.

Mr. Richardson indicated that there are seven states affected by the Section 8(g) controversy. Two of these states, Texas and Louisiana, have brought suit seeking a court resolution of the issue. In August, Secretary Clark proposed to the five non-litigating states an offer to settle the disputes on the basis of a 16 2/3 percent share of escrowed monies. Mr. Richardson indicated that although the affected states have not yet made a counter offer, they have responded by objecting to various features of the Secretary's offer. Mr. Richardson indicated that the Secretary will probably respond to the states within the next several weeks.

A question was asked of the Secretary of the Interior as to whether or not it was contemplated that there would be an increase in the federal offer. Secretary Clark responded by saying that he had indicated to the affected states that the 16 2/3 percent figure was non-negotiable.

Issue Two: State of the Union Initiatives.

Secretary Clark asked the Cabinet Council if there were any suggestions for themes to include in the President's State of the Union message. Deputy Secretary Boggs indicated that the Department of Energy would like the message to briefly review the progress that has been made in the energy area over the last four years, and to indicate that it is necessary to continue that progress by removing disincentives for the production of energy.

Other issues raised for possible inclusion were Superfund and the proposed Executive Order creating an Outdoor Recreation Resources Review Commission.

Mr. Niskanen suggested that the President set the tone for reauthorization of the many environmental laws by including a statement that environmental protection is a high priority for the Administration and that we seek to achieve improved protection as well as reducing the cost and disruption of our environmental programs. Secretary Clark requested members to submit suggested language to the Executive Secretary by Wednesday, December 17.

Issue Three: Critical and Strategic Minerals.

Secretary Clark called upon Assistant Secretary of the Interior Bob Broadbent to review progress that has been made on critical and strategic minerals issues. Assistant Secretary Broadbent explained that the recently enacted Department of Defense authorization bill required the Department of the Interior to report to the Congress by January 31 on various issues related to critical and strategic minerals. In addition, he indicated that the Critical and Strategic Minerals Advisory Committee which Secretary Clark established last May has already made several recommendations which should be considered by the Cabinet Council. After some discussion, the Cabinet Council instructed the Executive Secretary to establish a Working Group on Critical and Strategic Minerals to better coordinate the Administration's efforts on these issues.